

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Utilities and Technology, to which was referred Senate Bill No. 451, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 2, between lines 3 and 4, begin a new paragraph and insert:  
2           "SECTION 2. IC 36-1-12-1, AS AMENDED BY P.L.168-2006,  
3           SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4           JULY 1, 2009]: Sec. 1. (a) Except as provided in this section, this  
5           chapter applies to all public work performed or contracted for by:  
6                 (1) political subdivisions; and  
7                 (2) their agencies;  
8           regardless of whether it is performed on property owned or leased by  
9           the political subdivision or agency.  
10          (b) This chapter does not apply to an officer or agent who, on behalf  
11          of a municipal utility, maintains, extends, and installs services of the  
12          utility if the necessary work is done by the employees of the utility.  
13          (c) This chapter does not apply to hospitals organized or operated  
14          under IC 16-22-1 through IC 16-22-5 or IC 16-23-1, unless the public  
15          work is financed in whole or in part with cumulative building fund  
16          revenue.  
17          (d) This chapter does not apply to tax exempt Indiana nonprofit  
18          corporations leasing and operating a city market owned by a political  
19          subdivision.  
20          (e) As an alternative to this chapter, the governing body of a ~~school~~

~~corporation~~ **political subdivision or its agencies may do the following:**

**(1) Enter into a design-build contract as permitted under IC 5-30.**

**(2)** Participate in a utility efficiency program or may enter into a guaranteed savings contract as permitted under IC 36-1-12.5.

(f) This chapter does not apply to a person that has entered into an operating agreement with a political subdivision or an agency of a political subdivision under IC 5-23.

SECTION 3. IC 36-1-12.5-1, AS AMENDED BY P.L.168-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) As used in this chapter, "conservation measure":

(1) means:

(A) a ~~school~~ facility alteration;

(B) an alteration of a structure (as defined in IC 36-1-10-2);

(C) a technology upgrade; or

(D) with respect to an installation described in subdivision

(2)(G) or (2)(H), an alteration of a structure or system;

designed to provide billable revenue increases or reduce energy or water consumption costs, wastewater costs, or other operating costs; and

(2) includes the following:

(A) Providing insulation of the ~~school~~ facility or structure and systems in the ~~school~~ facility or structure.

(B) Installing or providing for window and door systems, including:

(i) storm windows and storm doors;

(ii) caulking or weatherstripping;

(iii) multi-glazed windows and doors;

(iv) heat absorbing or heat reflective glazed and coated windows and doors;

(v) additional glazing;

(vi) the reduction in glass area; and

(vii) other modifications that reduce energy consumption.

(C) Installing automatic energy control systems.

(D) Modifying or replacing heating, ventilating, or air conditioning systems.

(E) Unless an increase in illumination is necessary to conform to Indiana laws or rules or local ordinances, modifying or replacing lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility or structure.

(F) Providing for other conservation measures that provide billable revenue increases or reduce energy or water consumption, reduce operating costs, or reduce wastewater costs, including future:

(i) labor costs;

(ii) costs or revenues for contracted services; and

(iii) related capital expenditures.

(G) Installing equipment upgrades that improve accuracy of billable revenue generating systems.

(H) Installing automated, electronic, or remotely controlled systems or measures that reduce direct personnel costs.

(b) The term does not include an alteration of a water or wastewater structure or system that increases the capacity of the structure or system."

Page 4, after line 4, begin a new paragraph and insert:

"SECTION 5. IC 36-1-12.5-7, AS AMENDED BY P.L.168-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) If the governing body enters into an installment payment contract for the purchase and installation of conservation measures under this chapter that are part of a project that is not related to the alteration of a water or wastewater structure or system, the balance of the payments must be paid in installments not to exceed the lesser of ~~ten (10)~~ **twenty (20)** years or the average life of the conservation measure installed from the date of final installation. Payments under an installment payment contract are subject to annual appropriation by the fiscal body of the school corporation or political subdivision and do not constitute an indebtedness of the school corporation or political subdivision within the meaning of a constitutional or statutory debt limitation.

(b) If the governing body enters into an installment payment contract for the purchase and installation of conservation measures under this chapter that are part of a project that is related to the alteration of a water or wastewater structure or system, the balance of

1 the payments must be paid in installments not to exceed the lesser of  
 2 ~~fifteen (15)~~ **twenty (20)** years or the average life of the conservation  
 3 measure installed from the date of final installation. Payments under an  
 4 installment payment contract are subject to annual appropriation by the  
 5 fiscal body of the school corporation or political subdivision and do not  
 6 constitute an indebtedness of the school corporation or political  
 7 subdivision within the meaning of a constitutional or statutory debt  
 8 limitation.

9 (c) With respect to a conservation measure described in section  
 10 1(a)(2)(G) or 1(a)(2)(H) of this chapter, annual revenues or savings  
 11 from a guaranteed savings contract may be less than annual payments  
 12 on the contract if during the length of the contract total savings and  
 13 increased billable revenues occur as provided for by the contract.

14 (d) The financing of a guaranteed savings contract may be provided  
 15 by:

- 16 (1) the vendor under the guaranteed savings contract; or
- 17 (2) a third party financial institution or company."

18 Renumber all SECTIONS consecutively.  
 (Reference is to SB 451 as introduced.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 11, Nays 0.

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**Merritt**

**Chairperson**